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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/936,081	09/07/2001	Shigeru Ikeda	6920/0J811	7930

7590
Darby & Darby
805 Third Avenue
New York, NY 10022

10/06/2006

EXAMINER

CHENCINSKI, SIEGFRIED E

ART UNIT	PAPER NUMBER
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3692

DATE MAILED: 10/06/2006

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary	Application No. 09/936,081	Applicant(s) IKEDA ET AL.	
	Examiner Siegfried E. Chencinski	Art Unit 3628	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 07 September 2001.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-9 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-9 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. _____.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|---|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| 3) <input checked="" type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08)
Paper No(s)/Mail Date <u>9/07/01, 10/02/01, 6/02/05</u> . | 6) <input type="checkbox"/> Other: _____ |

DETAILED ACTION

Specification

1. ABSTRACT

Applicant is reminded of the proper language and format for an abstract of the disclosure.

The abstract should be in narrative form and generally limited to a single paragraph on a separate sheet within the range of 50 to 150 words. It is important that the abstract not exceed 150 words in length since the space provided for the abstract on the computer tape used by the printer is limited. The form and legal phraseology often used in patent claims, such as "means" and "said," should be avoided. The abstract should describe the disclosure sufficiently to assist readers in deciding whether there is a need for consulting the full patent text for details.

The language should be clear and concise and should not repeat information given in the title. It should avoid using phrases which can be implied, such as, "The disclosure concerns," "The disclosure defined by this invention," "The disclosure describes," etc.

ABSTRACT OF THE DISCLOSURE: See 37 CFR 1.72(b) and MPEP § 608.01(b). A brief narrative of the disclosure as a whole in a single paragraph of 150 words or less commencing on a separate sheet following the claims.

References to the drawings should be avoided.

Applicant is requested to reduce the quantity of words to below 150 and to remove the reference numbers to the drawings.

Correction is required.

Claim Rejections - 35 USC § 112

The following is a quotation of the first paragraph of 35 U.S.C. 112:

The specification shall contain a written description of the invention, and of the manner and process of making and using it, in such full, clear, concise, and exact terms as to enable any person skilled in the art to which it pertains, or with which it is most nearly connected, to make and use the same and shall set forth the best mode contemplated by the inventor of carrying out his invention.

2. **Claims 5, 6 and 9 are rejected** under 35 U.S.C. 112, first paragraph, as failing to comply with the enablement requirement. The claim(s) contains subject matter which

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was not described in the specification in such a way as to enable one skilled in the art to which it pertains, or with which it is most nearly connected, to make and/or use the invention. The term "transaction price for becomes high" in claims 5 and 9 and the term "does not excessively deviate from the difference" in claim 6 are relative terms which renders the claim indefinite. The terms "becomes high" and "excessively deviate" are not defined by the claim, the specification does not provide a standard for ascertaining the requisite degree, and one of ordinary skill in the art would not be reasonably apprised of the scope of the invention. A specific formula would be needed in order to enable the ordinary practitioner of the art to make and/or use these limitations of the invention.

Correction is required.

The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

3. **Claims 5, 6 and 9** under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention. The claim(s) contains subject matter which was not described in the specification in such a way as to enable one skilled in the art to which it pertains, or with which it is most nearly connected, to make and/or use the invention. The term "transaction price for becomes high" in claims 5 and 9 and the term "does not excessively deviate from the difference" in claim 6 are relative terms which renders the claim indefinite. The terms "becomes high" and "excessively deviate" are not defined by the claim, the specification does not provide a standard for ascertaining the requisite degree ("excessively high" - page 9, lines 5 and 9; page 22, line 13; "becomes high" - p. 7, l. 16; p. 8, l. 9; p. 10, ll. 10, 23; p. 19, ll. 15-16; p. 21, l. 14), and one of ordinary skill in the art would not be reasonably apprised of the scope of the invention. A specific formula would be needed in order to enable the ordinary practitioner of the art to make and/or use these limitations of the invention.

Correction is required.

Claim Rejections - 35 USC § 103

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

4. Claims 1 - 9 are rejected under 35 U.S.C. 103(a) as being unpatentable over Chou et al. (US Patent 6,055,504, hereafter Chou) in view of Walker et al. (US patent 6,345,090 B1, hereafter Walker).

Re. Claims 1 & 7, Chou discloses an apparatus and a method for trading in electronic communication network capacity through the facilities of a neutral third party. Such a party is also known in commerce as an intermediary or a broker (Abstract).

Chou does not explicitly disclose a method of trading a right to use electric communications equipment comprising.

- a step and means which accepts a consignment to sell a right to use electric communications equipment corresponding to a surplus electric communications equipment capacity a first registered user has contracted with a communication company;
- a step and means which accepts a consignment to buy a right to use electric communications equipment corresponding to a shortage of electric communications equipment capacity a second registered user has contracted with a communication company; and
- a market brokerage sep and means of intermediating between said consignment to sell said right to use electric communications equipment of said first registered user and said consignment to buy said right to use electric communications equipment of said second registered user to conclude the transfer of said right to use electric communications equipment.

However, as stated in Applicant's Background section of the specification, Applicant's invention in fact involves the trading of electronic communications network capacity which he has chosen to broadly represent as electronic communications equipment. Electronic network lines are electronic communications equipment as defined by Applicant. This would otherwise be obvious according to the broadest required interpretation of the claimed limitations. The examiner takes Official Notice that It was also obvious at the time of Applicant's invention that such trading is based on one or more owners or operators of capacity having surplus capacity over one or more network segments at any given time segment while another party has a shortage of such network capacity or anticipates a capacity shortage for moving or transporting electronic information volume or freight from point A to point B. Applicant and Chou both make use of a broker or intermediary to facilitate trading (i.e. buy-sell) transactions. When the offered price and other terms and conditions are acceptable to the buyer of the capacity the two parties will agree, and the buyer will own the right to use the capacity for a given time segment and a given volume. Chou does not explicitly disclose that the trading partners are registered. Even though this an implicit condition in Chou's disclosure (Col. 2, ll. 15-38 – especially lines 30-38), Walker explicitly discloses that the buying and selling parties to an electronic capacity trading transaction are registered with the party managing the trading system. The consignment step is implicit in Chou, since it represents the right of the intermediary party to offer available capacity to the other parties who may be seeking capacity to move electronic freight from one point to another during a certain time period. Also, Chou discloses apparatus to enable the trading (Fig. 3; Col. 3, l. 27 – Col. 4, l. 22). Therefore, it would have been obvious to an ordinary practitioner of the art at the time of Applicant's invention to have combined the art of Chou with that of Walker and Official Notice to put in place a method and apparatus of trading a right to use electric communications equipment, motivated by system that permits long distance carriers to stimulate sales of excess network capacity, without compromising their published rate structure (Walker, Col. 3, ll. 3-5).

Re. Claim 2, Chou and Walker disclose apparatus and a method for administering pricing in his disclosed electronic communication network capacity trading apparatus

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and method. Chou discloses apparatus and method steps for administering prices, the bid/ask process and deal making (Col. 3, l. 27 – Col. 4, l. 22). Neither Chou nor Walker explicitly disclose apparatus for trading a right to use electric communications equipment, further comprising electric-communications-equipment-use-right price index means which collects the price of said consignments to sell and the price of said consignments to buy said right to use electric communications equipment from said registered users, and which sets a lower unit price for said right to use electric communications equipment in a period in which the price of said consignments to sell said right to use electric communications equipment exceed the price of said consignments to buy, and which sets a higher unit price for said right to use electric communications equipment in a period in which the price of said consignments to sell said right to use electric communications equipment is below the price of said consignments to buy. However, the examiner takes Official Notice that it was well known at the time of applicant's invention that market prices generally respond to supply-demand relationships. A seller who has much capacity to sell will generally be inclined to accept lower price offers and to also promote his lower prices offers as enticements to potential buyers as long as the price times volume calculation results in marginal profit for the seller. If a seller does not have much capacity to sell because his system is running at a high percentage of capacity he will be more inclined to charge a higher price and less generous terms and conditions. Similarly, a buyer will be agreeable to pay a price level according to the time urgency and economic value of his need. This means that low prices will be offered by a seller who has much capacity to sell for a given route segment and time period, and a higher price if he has little capacity to sell for a given route segment and time period. Buyers will also act according to their time urgency and economic considerations, so that agreed upon prices will go up and down accordingly. Another factor which influences prices is how much capacity is being offered by competing carriers to connect two given points at a given point in time. It was also well known that prices are an important rationalizing mechanism for managing supply and demand in any free market. It is obvious in Chou and Walker that the intermediary will collect the supply and demand data and rationally administer the prices

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to facilitate trades of capacity. Such pricing administration implicitly makes use of a price index means. Walker discloses the use of the index technique for tracking past transactions, which implies the tracking of prices and other data. Therefore, it would have been obvious to an ordinary practitioner at the time of Applicant's invention to combine the disclosures of Chou and Walker and Official Notice to offer a market based price administration schema in the trading of electronic communication network capacity, motivated by system that permits long distance carriers to stimulate sales of excess network capacity, without compromising their published rate structure (Walker, Col. 3, ll. 3-5).

Re. Claim 3, Chou discloses a line use right and a line capacity (Col. 2, ll. 20-22- soliciting capacity in the network market means soliciting a line use right; Col. 1, l. 62- communications network capacity implies line capacity).

Re. Claims 4 & 8, Chou discloses an apparatus and a method for trading in electronic communication network capacity through the facilities of a neutral third party. Such a party is also known in commerce as an intermediary or a broker (Abstract).

Chou does not explicitly disclose an apparatus and a method of assigning a capacity of electric communications equipment, comprising:

- a step of and means for collecting and analyzing traffic data of registered users and computing the usage rate of an electric-communications-equipment over a period equivalent to a time unit for transactions of said right to use the electric communications equipment;
- a monitoring step of and means for monitoring the trading of said right to use the electric communications equipment in a market for trading said right to use electric communications equipment; and
- a step of and means for providing other electric communications equipment having a surplus capacity as bypass electric communications equipment to bypass electric communications equipment having insufficient capacity, for which said monitoring step determines that the transaction price for said right to use electric

communications equipment becomes high due to a shortage of electric communications equipment capacity provided by a communication company. However, as described in the rejection of claims 1 & 7, Chou, Walker and Official Notice would have made the ordinary practitioner of the art at the time of Applicant's invention aware of the general techniques for administering the trading of electric communications capacity by an intermediary or broker. Walker's disclosure cited in the rejection of dependent claim 2 above suggests and implies the collection and analysis of traffic data of registered users and computing the usage rate of an electric-communications-equipment over a period equivalent to a time unit for transactions of said right to use the electric communications equipment; a monitoring step of and means for monitoring the trading of said right to use the electric communications equipment in a market for trading said right to use electric communications equipment; and a step of and means for providing other electric communications equipment having a surplus capacity as bypass electric communications equipment to bypass electric communications equipment having insufficient capacity, for which said monitoring step determines that the transaction price for said right to use electric communications equipment becomes high due to a shortage of electric communications equipment capacity provided by a communication company. Therefore, an ordinary practitioner of the art at the time of Applicant's invention would have found it obvious to combine the disclosures of Chou, Walker and Official Notice to offer an apparatus and method for assigning a capacity of electric communications equipment in the above claimed manner, motivated by system that permits long distance carriers to stimulate sales of excess network capacity, without compromising their published rate structure (Walker, Col. 3, ll. 3-5).

Re. Claims 5 & 9, the rejection of independent claims 1&7, 4&8 above has described the disclosures of Chou and Walker regarding means for and method steps of administering the trading in electric communication network capacity through the facilities of a neutral third party, including the assigning of capacity involved in the trading. Chou does not explicitly disclose an apparatus and a method for assigning a capacity of electric communications equipment, comprising:

- a step of and means for collecting and analyzing traffic data of registered users

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and computing the usage rate of an electric-communications-equipment over a period equivalent to a time unit for transactions of said right to use the electric communications equipment;

- a monitoring step of and means for monitoring the trading of said right to use electric communications equipment to be traded in a market for trading *said right* to use electric communications equipment; and
- a step of and unit for providing electric communications equipment for each contractor which, for electric communications equipment for which said monitoring step detects that a transaction price for said right to use electric communications equipment becomes high due to a shortage of electric communications equipment capacity provided by a communication company, a customer having a contract for high communication quality use of electric communications equipment is preferentially provided with electric communications equipment capacity, and subsequently a customer having a contract for low communication quality use of electric communications equipment is provided with said electric communications equipment capacity.

However, Chou discloses attributes of the electronic communications capacity being traded by describing the attributes of the commodities a bandwidth, end-points of the network, time interval and type of communication network which includes wireless, cable, internet, PCS, etc. (Col. 2, l. 63 – Col. 3, l. 6). Further, Walker discloses the consideration of priorities in the administration of capacity trading by the intermediary party (Col. 9, ll. 56-57). This would have made it obvious that preferential provision be assigned according to customer requirements and preferences such as high communication quality equipment and low communications quality equipment. Further, the rejection of dependent claim 2 above provides the reasons why the ordinary practitioner at the time of Applicant's invention would have found it obvious to implement a schema of price administration which reflected supply and demand considerations in the dynamic market place for the trading of electric communications capacity. It is implicit in the disclosures of Chou and Walker that appropriate equipment is put in place, including with each contractor involved in the trading, which detects transaction prices and their movement up

and down, since such equipment is essential for the entire disclosures of Chou and Walker to function. Therefore, an ordinary practitioner of the art at the time of Applicant's invention would have found it obvious to combine the disclosures of Chou, Walker and Official Notice to offer an apparatus and method for assigning a capacity of electric communications equipment in the above claimed manner, motivated by system that permits long distance carriers to stimulate sales of excess network capacity, without compromising their published rate structure (Walker, Col. 3, ll. 3-5).

Re. Claim 6, neither Chou nor Walker explicitly disclose an apparatus for assigning a capacity of electric communications equipment comprising means which makes a decision in such a way that a ratio of (a) an electric communications equipment capacity secured by said unit for providing electric communications equipment for each contractor, for a customer having a contract for high communication quality use of said electric communications equipment to (b) an electric communications equipment capacity secured by said unit for providing electric communications equipment for each contractor, for a customer having a contract for low communication quality use of said electric communications equipment, does not excessively deviate from the difference in contracted unit price between the high communication quality use and the low communication quality use. However, the disclosures by Chou, Walker and Official Notice in the rejection of independent claim 5 would have made it obvious to an ordinary practitioner of the art at the time of applicant's invention regarding the administration of prices to reflect the dynamics of the market and the various quality and priority factors involved in such administration by a neutral intermediary or broker. Included in such obvious considerations would have been the price and terms and conditions relationships between different service segments and contracts in the trading market. Therefore, an ordinary practitioner of the art at the time of Applicant's invention would have found it obvious to combine the disclosures of Chou, Walker and Official Notice to offer an apparatus and method for administering prices and price relationships in the trading of capacity of electric communications equipment in the above claimed manner, motivated by system that permits long distance carriers to stimulate sales of excess network capacity, without compromising their published rate structure (Walker, Col. 3, ll. 3-5).

Conclusion

5. Any inquiry concerning this communication or earlier communications from the Examiner should be directed to Siegfried Chencinski whose telephone number is (571)272-6792. The Examiner can normally be reached Monday through Friday, 9am to 6pm.

If attempts to reach the Examiner by telephone are unsuccessful, the Examiner's supervisor, Hyung S. Souh, can be reached on (571) 272-6799.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

Any response to this action should be mailed to:

Commissioner of Patents and Trademarks, Washington D.C. 20231

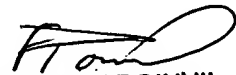
or (571)273-8300 [Official communications; including After Final communications labeled "Box AF"]

(571) 273-6792 [Informal/Draft communications, labeled "PROPOSED" or "DRAFT"]

Hand delivered responses should be brought to the address found on the above USPTO web site in Alexandria, VA.

SEC

September 25, 2006


FRANTZY POINVIL
PRIMARY EXAMINER
Au 3628